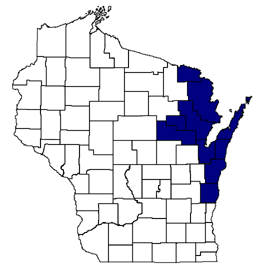
Workforce Observations

for the Bay Area WDA counties
Brown, Door, Florence, Kewaunee, Manitowoc, Marinette, Menominee, Oconto, Shawano, and Sheboygan Counties



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- ⇒ Analysis of Bay Area WDA and its counties' personal income data (2004)
- ⇒ Wrap up of second quarter, 2006 Bay Area WDA labor market

Bay Area Personal Income

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Per Capita Personal Income for Bay Area WDA Counties

	Total Personal Income (x1000)	Per Capita Personal Income		Percent Change		2004
	2004	2004	2003	2003-04	1999-04	Rank
Wisconsin	$177,026,243	$32,166	$30,664	4.9%	18.5%	
Metropolitan Wis.	$135,269,947	$34,002	$32,516	4.6%	18.2%	
Non-metro Wis.	$41,756,296	$27,378	$25,840	6.0%	19.6%	
Brown	$7,864,935	$33,204	$31,711	4.7%	17.4%	7
Door	$926,478	$32,737	$30,395	7.7%	17.5%	10
Florence	$126,098	$25,134	$23,676	6.2%	23.1%	51
Kewaunee	$569,976	$27,550	$25,724	7.1%	15.5%	35
Manitowoc	$2,455,074	$30,005	$27,917	7.5%	20.1%	24
Marinette	$1,169,327	$27,038	$25,579	5.7%	24.1%	37
Menominee	$87,196	$19,051	$18,454	3.2%	19.9%	72
Oconto	$984,627	$26,264	$25,125	4.5%	15.3%	43
Shawano	$1,056,256	$25,615	$24,192	5.9%	17.9%	48
Sheboygan	$3,792,730	$33,299	$31,295	6.4%	21.7%	6
Shawano	$1,056,256	$25,615	$24,192	5.9%	17.9%	48
Bay Area	$19,032,697	$31,041	$29,350	5.8%	19.0%	

Source: US Dept. of Commerce, Bureau of Economic Analysis, May 2006

The U.S. Department of Commerce's Bureau of Economic Analysis is responsible for the personal income data in this issue. Personal income is simply defined as income received by persons from all sources. Its main components are employee compensation, proprietors' income, rental property income, personal income receipts on assets, and personal current transfer receipts. Personal income figures, particularly per capita measures, are highly regarded as a gauge location's economic health.

The tables on this page list the total personal income (TPI) and the per capita personal income (PCPI) for the Bay Area WDA. PCPI is defined as total personal income divided by the total population. The overall 2004 Bay Area WDA PCPI is lower than the statewide figure, though its growth rate has been slightly faster over one- and five-year periods. The regional counties' PCPI rank

Local Area Personal Income

	Total Personal Income (TPI) in thousands			Per Capita Personal Income (PCPI)		
	2004	2003	1999	2004	2003	1999
Bay Area	$19,032,697	$17,895,553	$15,535,852	$31,041	$29,350	$26,080
Wisconsin	$177,026,243	$167,785,798	$144,702,139	$32,166	$30,664	$27,135
United States	$9,705,504,000	$9,157,257,000	$7,796,137,000	$33,050	$31,484	$27,939
Percent Change		**1-year**	**5-year**		**1-year**	**5-year**
Bay Area		6.4%	22.5%		5.8%	19.0%
Wisconsin		5.5%	22.3%		4.9%	18.5%
United States		6.0%	24.5%		5.0%	18.3%

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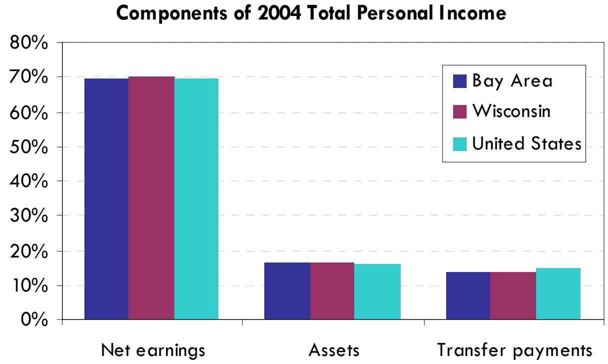
Local/State/National Quarterly Unemployment Rates

	Second Quarter 2006 Average Labor Force			
	Total Labor Force	# of Employed	# of Unemployed	Unemploy. Rate
Brown County	138,900	132,300	6,600	4.7%
Door County	17,320	16,460	850	4.9%
Florence County	2,690	2,520	170	6.4%
Kewaunee County	12,060	11,500	550	4.6%
Manitowoc County	47,020	44,680	2,330	5.0%
Marinette County	22,980	21,580	1,400	6.1%
Menominee County	1,700	1,500	210	12.2%
Oconto County	20,800	19,600	1,200	5.9%
Shawano County	22,780	21,610	1,160	5.1%
Sheboygan County	65,500	62,800	2,800	4.2%
Bay Area WDA	351,800	334,500	17,300	4.9%
City of Green Bay	58,780	54,660	4,120	7.0%
City of Manitowoc	18,650	17,520	1,130	6.0%
City of Sheboygan	27,440	25,990	1,450	5.3%
Wisconsin	3,085,300	2,937,000	148,300	4.8%
United States	151,154,000	144,220,700	6,933,300	4.6%
	Change Compared to Previous Quarter			
Brown County	920	1,350	-430	-0.3%
Door County	1,220	1,590	-380	-2.7%
Florence County	60	80	-20	-0.8%
Kewaunee County	30	120	-80	-0.7%
Manitowoc County	960	1,280	-320	-0.8%
Marinette County	170	440	-270	-1.2%
Menominee County	70	40	40	1.6%
Oconto County	-160	200	-360	-1.7%
Shawano County	350	550	-210	-1.0%
Sheboygan County	470	550	-80	-0.2%
Bay Area WDA	4,090	6,200	-2,110	-0.7%
City of Green Bay	190	560	-370	-0.7%
City of Manitowoc	390	500	-120	-0.8%
City of Sheboygan	200	230	-20	-0.1%
Wisconsin	42,500	59,200	-16,700	-0.6%
United States	1,553,000	2,138,300	-585,000	-0.4%
	Change Compared to Same Quarter, Previous Year			
Brown County	2,380	2,080	300	0.1%
Door County	330	340	-10	-0.2%
Florence County	20	20	0	0.0%
Kewaunee County	230	180	50	0.3%
Manitowoc County	1,190	1,120	70	0.0%
Marinette County	250	130	110	0.4%
Menominee County	20	0	20	1.0%
Oconto County	450	310	140	0.6%
Shawano County	100	30	70	0.3%
Sheboygan County	380	240	140	0.2%
Bay Area WDA	5,350	4,450	900	0.2%
City of Green Bay	990	860	130	0.1%
City of Manitowoc	540	440	100	0.4%
City of Sheboygan	150	100	50	0.2%
Wisconsin	42,700	39,700	2,900	0.0%
United States	1,994,300	2,558,700	-564,000	-0.4%

Source: DWD Office of Economic Advisors analysis of data supplied by DWD Bureau of Workforce Information and the U.S. DOL Bureau of Labor Statistics. Data are not seasonally adjusted and are revised periodically. Figures are rounded and may not sum to total.



Source: US Dept. of Commerce, Bureau of Economic Analysis, May 2006

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among both the state's highest and lowest with three counties ranking in the top ten highest in the state as well as having the county with the state's lowest PCPI, Menominee County.

Three of the region's ten counties have higher than statewide average PCPI figures. Coincidentally, but not surprisingly, two of these counties are metropolitan counties, which typically have higher than average PCPI. Door County was the lone regional, non-metro county to post higher than statewide PCPI. In fact, Door has the highest non-metro county PCPI in the state.

In terms of income growth, the Bay Area has been just slightly faster in terms of both total and per capita change. Between the two figures, total personal income is arguably the more telling of economic growth than the per capita measure. A total of five regional counties matched or exceeded Wisconsin's TPI five-year growth-Brown, Florence, Marinette, Oconto and Sheboygan counties with Marinette posting the fastest growth rate. Kewaunee and Manitowoc counties' TPI grew 18.9 percent and 18.7 percent, respectively, and were the slowest growing Bay Area counties. While PCPI growth is certainly worth investigation, the per capita aspect of the measure can influence the perception of the change. More specifically, qualitative population changes are not always obvious or accounted for in terms of influencing per capita income growth (e.g., faster growth of non-earners such as children, changes in working-age population, etc.) making it difficult to judge changes in a county's economic climate as better, worse or unchanged.

The graph at the top of this page displays TPI composition by its three major components. The data show TPI in the Bay Area counties are comparable in distribution to national shares with a slightly lower share of income from transfer receipts, which generally consist of government social security benefits, Medicare benefits, and income maintenance benefits.

Local/State/National Quarterly Industry Employment

	Avg Quarterly Number of Jobs by Industry Sector										
	United States	Wisconsin	Green Bay MSA	Sheboygan MSA	Door County	Florence County	Manitowoc County	Marinette County	Menominee County	Shawano County	Bay Area WDA
	Q2-2006	Q2-2006	Q2-1006	Q2-1006	Q2-1006	Q2-1006	Q2-1006	Q2-1006	Q2-1006	Q2-1006	Q2-1006
All Industries	135,750,600	2,884,400	170,330	63,730	13,920	1,280	37,780	21,260	2,010	13,290	323,600
Construction/Natural Resources	8,236,000	141,300	9,330	2,700	970	40	1,990	790	40	550	16,420
Manufacturing	14,261,000	506,200	31,200	23,330	2,100	330	11,540	6,360	0	2,360	77,210
Total Trade	21,009,000	430,500	24,430	7,270	1,970	130	4,270	3,010	40	2,280	43,390
Wholesale Trade	5,858,600	118,900	6,930	1,600	xx	xx	xx	xx	xx	xx	xx
Retail Trade	15,150,400	311,600	17,500	5,670	xx	xx	xx	xx	xx	xx	xx
Transport/Warehouse/Utilities	4,975,600	106,800	11,670	1,400	150	30	1,850	810	10	310	16,220
Financial Activities	8,331,700	159,200	11,400	2,270	630	70	1,080	570	10	450	16,480
Education and Health Services	17,704,000	396,500	20,230	7,500	1,480	80	4,830	3,270	0	1,590	38,980
Leisure and Hospitality	13,249,000	268,100	15,470	4,670	2,910	190	3,060	1,620	50	1,350	29,320
Info./Prof./Bus.and Other Services	25,806,300	454,200	25,530	7,970	1,980	130	4,120	2,520	50	1,480	43,780
Information	3,067,700	49,100	2,500	300	xx	xx	xx	xx	xx	xx	xx
Professional and Business Services	17,303,300	267,100	15,870	4,530	xx	xx	xx	xx	xx	xx	xx
Other Services	5,435,300	138,000	7,170	3,130	xx	xx	xx	xx	xx	xx	xx
Fed/State/Local Government	22,178,000	421,600	21,070	6,630	1,740	260	5,030	2,300	1,820	2,940	41,800
	Change in Avg. # of Jobs Compared to Previous Quarter										
All Industries	2,537,500	77,800	3,530	1,100	1,630	30	1,230	710	30	450	8,700
Construction/Natural Resources	526,300	17,100	1,230	230	140	10	310	130	20	90	2,170
Manufacturing	129,300	3,800	-130	70	50	-10	150	80	0	50	260
Total Trade	160,800	4,800	200	100	210	0	90	70	0	90	760
Wholesale Trade	87,600	2,700	170	70	xx	xx	xx	xx	xx	xx	xx
Retail Trade	73,200	2,000	30	30	xx	xx	xx	xx	xx	xx	xx
Transport/Warehouse/Utilities	72,700	3,800	500	100	30	0	130	20	0	10	780
Financial Activities	115,300	2,000	0	70	50	10	10	30	0	0	180
Education and Health Services	72,700	5,800	200	70	40	0	0	40	0	-10	340
Leisure and Hospitality	804,000	18,800	500	330	900	10	250	240	0	180	2,420
Info./Prof./Bus.and Other Services	551,700	17,400	870	70	100	20	160	90	0	50	1,360
Information	12,700	200	0	0	xx	xx	xx	xx	xx	xx	xx
Professional and Business Services	460,700	14,000	970	100	xx	xx	xx	xx	xx	xx	xx
Other Services	78,300	3,200	-100	-30	xx	xx	xx	xx	xx	xx	xx
Fed/State/Local Government	104,700	4,400	170	70	110	-20	130	0	0	-20	430
	Change in Avg. # of Jobs Compared to Same Quarter in 2005										
All Industries	1,872,000	30,000	1,770	-400	210	-10	860	190	-120	-20	2,480
Construction/Natural Resources	293,700	5,100	370	0	0	0	-40	-40	30	0	310
Manufacturing	2,700	800	470	30	90	-10	270	130	0	40	1,020
Total Trade	83,000	-500	-30	-230	20	0	-50	20	0	30	-240
Wholesale Trade	101,900	1,100	100	30	xx	xx	xx	xx	xx	xx	xx
Retail Trade	-18,900	-1,600	-130	-270	xx	xx	xx	xx	xx	xx	xx
Transport/Warehouse/Utilities	67,700	-2,400	570	0	20	0	80	40	0	0	710
Financial Activities	213,700	-300	200	-230	20	30	40	20	0	10	80
Education and Health Services	385,700	13,100	-500	70	30	0	60	110	0	10	-210
Leisure and Hospitality	211,700	7,700	130	-100	30	0	-30	-10	0	-20	0
Info./Prof./Bus.and Other Services	449,700	5,200	670	130	40	10	30	20	-10	30	930
Information	-3,000	-800	0	0	xx	xx	xx	xx	xx	xx	xx
Professional and Business Services	435,700	4,800	470	130	xx	xx	xx	xx	xx	xx	xx
Other Services	17,000	1,200	200	0	xx	xx	xx	xx	xx	xx	xx
Fed/State/Local Government	164,300	1,400	-100	-70	-40	-40	490	-100	-140	-130	-110

Source: DWD Office of Economic Advisors analysis of Current Employment Statistics (CES) data supplied by DWD Bureau of Workforce Information and the U.S. DOL Bureau of Labor Statistics. These not seasonally adjusted, preliminary figures are rounded and may not sum to the all industries total. The Green Bay MSA consists of Brown, Kewaunee and Oconto counties. The Sheboygan MSA is Sheboygan County.

Bay Area WDA—Second Quarter 2006 (April, May, and June)

Labor Force

The second quarter unemployment rate in the Bay Area WDA was 4.9 percent reflecting a total of 351,800 employed and 17,300 unemployed residents throughout the 10-county region. Examining regional counties, Sheboygan County had the lowest quarterly rate at 4.2 percent while Menomonee County had the highest at 12.2 percent. A total of four counties were at or below the WDA second quarter unemployment rate.

Every Bay Area county's unemployment rate dipped in comparison to the first quarter average. The WDA overall rate dropped seven-tenths of a percent point as its labor force increased in its number of employed by 6,200 and there were over 2,100 fewer unemployed. Door County's rate dropped the most, -2.7 percent points over the quarter, which is typical as Door's labor force is one of Wisconsin's most seasonal in terms of its unemployment rate. Oconto County's rate also dropped considerably. With the exception of Menominee County, all Bay Area counties adhered to the regional pattern of rising numbers of employed and declining unemployed over the quarter. Menominee County saw a rise in both employed and unemployed and an unemployment rate that climbed 1.6 percent point, quarterly.

Compared to Q2 2005, the Bay Area unemployment rate is two-tenths of a percent point higher. This is the first quarter in recent memory to post an unemployment rate higher when compared to the same quarter of the previous year. In this case it should be noted that this is not necessarily a negative statement about the region's labor market. The WDA's labor force increased annually with 4,450 more employed and 900 more unemployed and the unemployment rate rose because the number of unemployed rose *proportionately faster* than the region's base of employed, which did grow at a healthy clip. In fact, the annual rise in rate likely points to more a more favorable view of the region's job opportunities as potential workers re-introduce themselves into the labor force as job seekers, who by definition are unemployed until they find work. This overall annual increase in the number of unemployed has made itself apparent rather recently and is not unique unto this part of the state. While this explanation does not completely account for the entire rise in unemployed, the fairly robust job growth in the region has likely factored into the rise and historical trends point to increases in the number of unemployed as job growth moves forward.

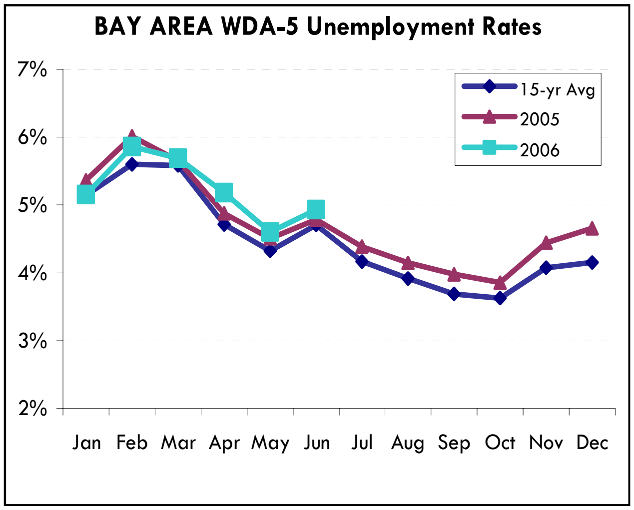
Industry Employment

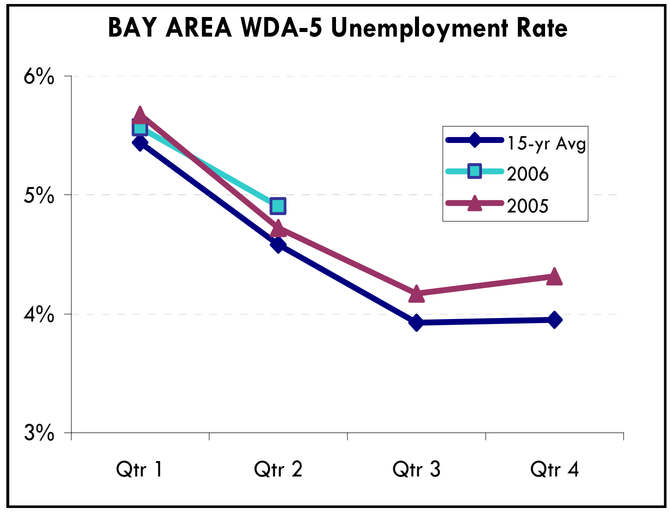
Nonfarm wage and salary employment totaled 323,600 jobs for the second quarter average. The second quarter's total represents the greatest change in job counts within the calendar year. In this case, job totals jump higher each consecutive month from April through June setting up the region's peak, summer labor market.

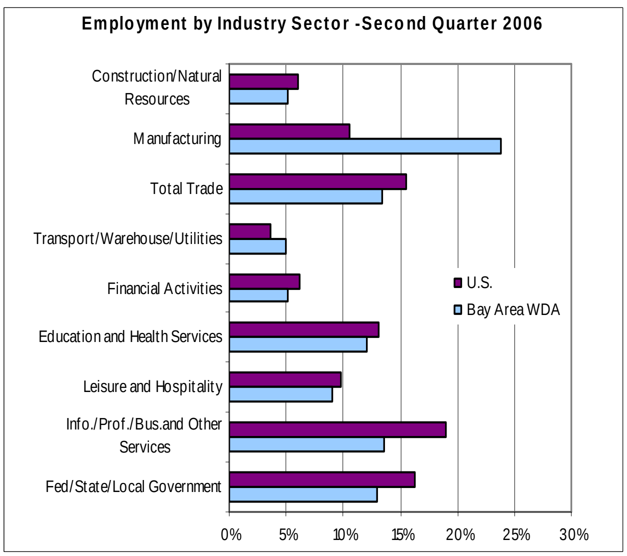
On average, the region's second quarter job total increased by a net gain of 8,700 jobs. Leisure and hospitality; and construction were two of the region's largest gaining industries because they are two of the more seasonal industries which usually show quite a bit of employment pop at this time of the year. In sum, every major employment sector in the region posted a net employment gain. All constituent Bay Area counties/ MSA posted quarterly net job gains with Door County posting a whopping, yet expected, quarterly job growth rate over 13 percent. Manitowoc, Marinette, and Shawano counties also posted faster than average (>2.8%) quarterly job growth. The reader will notice on page 3 that only a few major sectors experienced any net loss of jobs in the second quarter. The dominant employing sector in the Bay Area WDA, manufacturing, has a net gain of 260 jobs despite the fact that the Green Bay MSA posted a net loss of 130 jobs. Manitowoc County posted the largest net gain in manufacturing (+150 jobs).

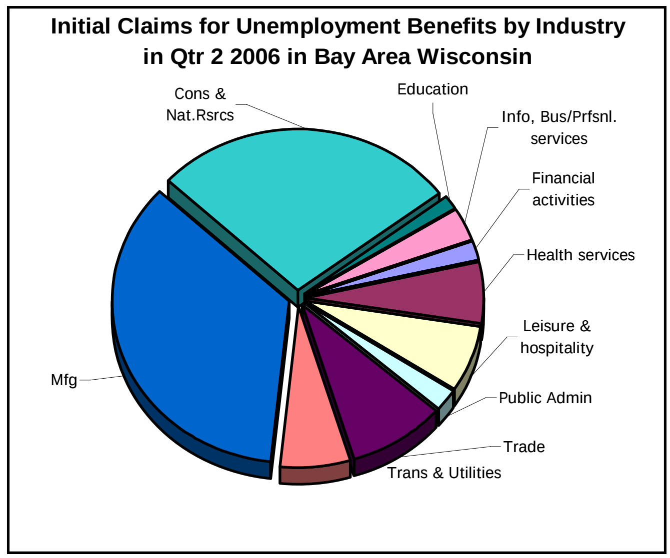
The job market, annually, is seemingly a bit of a mixed bag in terms of growth. The region shows net job growth up almost 2,500 jobs compared to Q2 2005 (+0.8%) with manufacturing employment comprising the bulk of this net growth with just over 1,000 more jobs. Most of this manufacturing net growth was stationed in the Green Bay MSA. The Sheboygan MSA, Florence County, Menominee County and Shawano County each posted a net annual loss of total jobs.

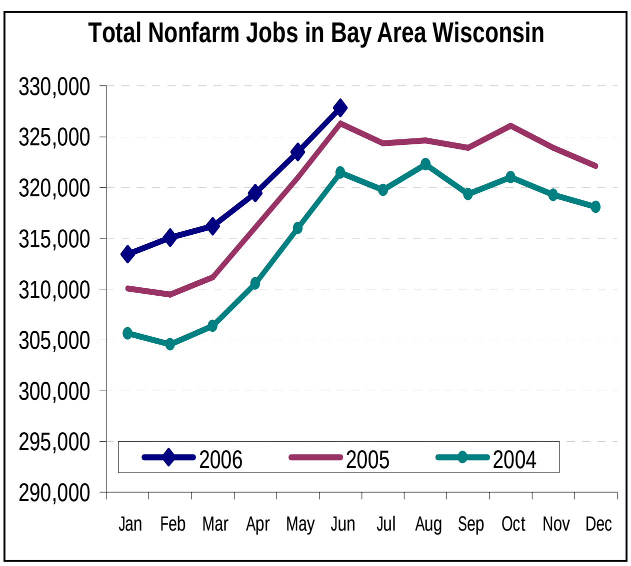
The Bay Area WDA Workforce Album











Consumer Price Index - All items (not seasonally adjusted)	Change over previous quarter Qtr 3 2005	Qtr 4 2005	Qtr 1 2006	Qtr 2 2006	over yr Qtr 2 2005
United States	1.2%	0.5%	0.5%	1.7%	4.0%
Midwest cities (50,000-1.5 million pop.)	1.5%	1.6%	0.2%	0.2%	3.5%
Midwest cities (less than 50,000 pop.)	1.4%	1.7%	0.3%	0.2%	3.7%
Employment Cost Index (not seasonally adjusted)					
Civilian total compensation	0.8%	0.6%	0.7%	0.9%	3.0%
Private industry total compensation	0.6%	0.5%	0.8%	0.9%	2.8%
Local & state govt. total compensation	2.0%	0.9%	0.5%	0.4%	3.8%
Civilian wages	0.7%	0.6%	0.7%	0.8%	2.8%
Private wages	0.6%	0.5%	0.7%	1.0%	2.8%
Local & state government wages	1.3%	0.9%	0.3%	0.5%	3.1%
Civilian benefits	1.2%	0.5%	0.9%	0.7%	3.4%
Private industry benefits	0.7%	0.3%	1.0%	0.7%	2.7%
Local & state government benefits	3.1%	1.0%	0.7%	0.6%	5.5%
Source: US Bureau of Labor Statistics				current quarter	